

## **Senate Bill No. 91**

### **CHAPTER 184**

An act to repeal Article 2.5 (commencing with Section 69522) and Article 13 (commencing with Section 69760) of Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code, relating to student financial aid.

[Approved by Governor August 24, 2007. Filed with  
Secretary of State August 24, 2007.]

#### **LEGISLATIVE COUNSEL'S DIGEST**

SB 91, Committee on Budget and Fiscal Review. Student financial aid.

Existing law establishes the Student Aid Commission as the primary state agency for the administration of state-authorized student financial aid programs available to students attending all segments of postsecondary education. Existing law authorizes the commission to carry out prescribed tasks, and authorizes the commission to establish an auxiliary organization for the purpose of providing operational and administrative services for the commission's participation in the Federal Family Education Loan Program. Under existing law, the operations of the auxiliary organization are required to be conducted in conformity with an operating agreement approved, for a period not to exceed 5 years, by the commission.

This bill would repeal provisions of existing law relating to the establishment and operation of the auxiliary organization and the state's participation in the Federal Family Education Loan Program if and when the Director of Finance notifies the Secretary of State and the Chairperson of the Joint Legislative Budget Committee that specified occurrences, related to either a sale of the state student loan guarantee program assets to a transferee guaranty agency, as defined, or a transaction with a transferee guarantee program operator, have been consummated and 30 days elapse after the receipt of the notice.

*The people of the State of California do enact as follows:*

SECTION 1. Article 2.5 (commencing with Section 69522) of Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code is repealed.

SEC. 2. Article 13 (commencing with Section 69760) of Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code is repealed.

SEC. 3. Section 1 shall not become operative unless and until both of the following occur:

(a) Pursuant to paragraph (2) or (3) of subdivision (b) of Section 69521.5 of the Education Code, the Director of Finance notifies the Secretary of

State and the Chairperson of the Joint Legislative Budget Committee that either of the following has occurred:

(1) A sale of the student loan guarantee program assets to a transferee guaranty agency within the meaning of paragraph (2) of subdivision (b) of Section 69521.5 of the Education Code has been consummated.

(2) A transaction with a transferee guarantee program operator within the meaning of paragraph (3) of subdivision (b) of Section 69521.5 of the Education Code has been consummated.

(b) Thirty days elapse after the receipt of the notice referred to in subdivision (a).

SEC. 4. Section 2 shall not become operative unless and until both of the following occur:

(a) Pursuant to paragraph (2) of subdivision (b) of Section 69521.5 of the Education Code, the Director of Finance notifies the Secretary of State and the Chairperson of the Joint Legislative Budget Committee that a sale of the student loan guarantee program assets to a transferee guaranty agency within the meaning of that paragraph has been consummated.

(b) Thirty days elapse after the receipt of the notice referred to in subdivision (a).